ASSEMBLY, No. 5018

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED NOVEMBER 19, 2020

Sponsored by:

Assemblywoman ANNETTE CHAPARRO
District 33 (Hudson)
Assemblywoman VERLINA REYNOLDS-JACKSON
District 15 (Hunterdon and Mercer)
Assemblyman JOE DANIELSEN
District 17 (Middlesex and Somerset)

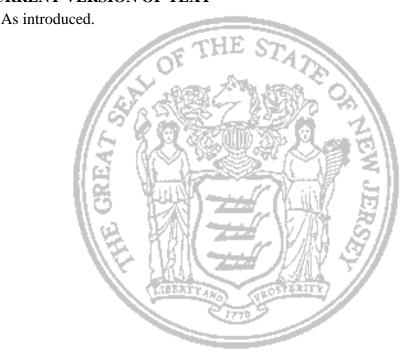
Co-Sponsored by:

Assemblywoman Murphy and Assemblyman Conaway

SYNOPSIS

Requires NJ Infrastructure Bank to provide incentives to environmental infrastructure projects that, where feasible, employ local residents.

CURRENT VERSION OF TEXT



(Sponsorship Updated As Of: 1/4/2021)

1 AN ACT concerning environmental infrastructure projects and 2 amending P.L.1985, c.334.

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BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

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- 1. Section 26 of P.L.1985, c.334 (C.58:11B-26) is amended to read as follows:
- 9 26. a. The trust shall adopt rules and regulations requiring a 10 local government unit which receives a loan or guarantee for a 11 project to establish an affirmative action program for the hiring of 12 minority workers in the performance of any construction contract 13 for that project and to establish a program to provide opportunities 14 for socially and economically disadvantaged contractors and 15 vendors to supply materials and services for the contract, consistent 16 with the provisions of the "Law Against Discrimination," P.L.1945, 17 c.169 (C.10:5-1 et seq.). Not less than 10 percent of the amount of 18 any contract for construction, materials or services for a project 19 shall be awarded to small business concerns owned and controlled 20 by socially and economically disadvantaged individuals as defined 21 in the "Small Business Act," Pub.L.85-536 (15 U.S.C. s.631 et 22 seq.), and any regulations promulgated pursuant thereto provided, 23 however, that the projects funded, in whole or in part, with federal 24 funds, the percentage of such contracts awarded to small business 25 concerns owned and controlled by socially and economically 26 disadvantaged individuals shall equal the goal for participation set 27 forth in section 644(g)(1)(A)(iv) of the "Small Business Act," 28 Pub.L.85-536 (15 U.S.C. s.644). For transportation financing 29 program projects funded in whole with State funds, contracts for construction materials or services shall comply with the small 30 31 business set aside regulations promulgated pursuant to section 15 of 32 P.L.1983, c.482 (C.52:32-31).
 - b. The trust shall adopt rules and regulations requiring any entity, which receives a loan, grant, or guarantee for a project to pay not less than the prevailing wage rate to workers employed in the performance of any construction contract for that project, in accordance with the rate determined by the Commissioner of Labor and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.).
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40 c. The trust shall adopt rules and regulations that provide an 41 incentive for any entity, which receives a loan, grant, or guarantee 42 for an environmental infrastructure project that, where feasible, 43 employs applicants that reside in the municipality in which the 44 project is located or in the service area for the project. The 45 incentive provided pursuant to this subsection may include, but is

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

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not limited to, priority in the ranking criteria or prioritization methodology for projects or a financial incentive such as principal forgiveness.

4 (cf: P.L.2019, c.194, s.6)

2. This act shall take effect immediately.

STATEMENT

This bill directs the New Jersey Infrastructure Bank (NJIB) (formerly the New Jersey Environmental Infrastructure Trust) to establish incentives for entities that, where feasible, employ applicants that reside in the municipality in which an environmental infrastructure project is located or in the service area for the project. The incentive may include, but is not limited to, priority in the ranking criteria or prioritization methodology for projects or a financial incentive such as principal forgiveness.

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Under current law, the NIIB requires a local

Under current law, the NJIB requires a local government unit which receives a loan or guarantee for a project to establish an affirmative action program for the hiring of minority workers in the performance of any construction contract for that project and to establish a program to provide opportunities for socially and economically disadvantaged contractors and vendors to supply materials and services for the contract, consistent with the provisions of the "Law Against Discrimination."

Since its creation in 1985, the NJIB, in partnership with the Department of Environmental Protection, has provided low-cost New Jersey Environmental Infrastructure Financing Program (NJEIFP) loans for the construction of environmental infrastructure projects that enhance and protect ground and surface water resources, ensure the safety of drinking water supplies, and make possible responsible and sustainable economic development. Since 1985, NJEIFP loans to local government units and some private water companies have totaled more than \$7.13 billion of which the NJIB has provided more than \$2.9 billion in loans to finance wastewater systems, combined sewer overflow abatement, nonpoint source pollution control, and safe drinking water supplies generating more than 130,000 construction projects throughout the State.